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Kyanite Mining Corporation to be Recognized for National Reclamation Award

*- Department of Mines, Minerals and Energy will recognize Kyanite officials and
employees in ceremony on July 23, 2003 -*

DARLINGTON HEIGHTS, VA – Kyanite Mining Corporation officials and employees will be recognized next week by the Department of Mines, Minerals and Energy (DMME) for winning a national reclamation award from the Interstate Mining Compact Commission (IMCC). Kyanite's Baker Mountain Mine facility recently received the IMCC 2003 Kenes C. Bowling National Mine Reclamation Award in the non-coal category for outstanding achievements in mined land reclamation. The ceremony will be held on Wednesday, July 23, 2003, at the mine site, which is located near Darlington Heights in Prince Edward County.

"We are very pleased that Kyanite Mining Corporation received this much deserved national recognition for its exemplary reclamation accomplishments at their Baker Mountain Mine site," said DMME Director Gene Dishner. "The award represents Kyanite's good working relationship with its employees, its community and state government." The IMCC award is presented each year to a mine operation that has demonstrated excellence in reclamation based on achievements in five categories: compliance; contemporaneous reclamation; drainage control; bond release (or reclamation success); and innovative practices.

The IMCC recognized the Baker Mountain Mine for innovative reclamation practices, which included the creation of artificial wetlands to help reclaim a 60-acre tailings pond. The tailings pond had created acid mine drainage problems in a stream that ran through the mining

operation. The wetlands cells were installed to reclaim the acidic soils in the tailings pond, and prevent and treat the acid mine drainage. Since shortly after completion of the project, discharge from the pond area has exceeded water quality standards. Wildlife in the area is now flourishing.

“The Baker Mountain Mine reclamation project demonstrates the way a responsible mining operation can protect and enhance the environment if it is allowed the time and flexibility to do the job right,” said company President and CEO Gene Dixon, Jr. “It was our desire to reclaim the mine site in a manner that would benefit the community for many years to come. The success of this project was made possible by the efforts, ideas, and expertise of our employees.”

The reclamation project successfully achieved the company’s original post mining land use plan to develop wildlife habitat. The habitat that has been established provides excellent food and cover for quail, turkey, waterfowl, deer and a host of other mammals, reptiles, and invertebrates. A local bird club has used the area for several birding trips and has identified a wide variety of songbirds and waterfowl in areas that used to be barren mine spoils. The company is currently developing plans to turn the site into a mineral mining/reclamation museum and educational center.

Kyanite Mining Corporation is the world’s largest and oldest producer of the refractory and ceramic raw materials kyanite and mullite (calcined kyanite), which are used in the manufacture of high temperature ceramics and electrical porcelains. The Baker Mountain operation produced kyanite and mullite from the mid-1920’s to 1979, and the plant used to produce the mullite was operated until March 2002. Mullite has been milled and bagged for shipping at this facility for over half a century. Kyanite is still mined and beneficiated by Kyanite Mining Corporation in Buckingham County, Virginia – which is about 30 miles to the north of the original Baker Mountain facility.

The Interstate Mining Compact Commission is a multi-state governmental organization that represents the natural resource interests of its member states.

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